

SUMMARY OF NO. 11-08

This proposed law would extend the state's law regulating sales solicitations by telephone to apply to calls made on behalf of charitable organizations by professional solicitors and commercial co-venturers, which are for-profit organizers of events or sales to benefit charitable organizations.

Professional solicitors and commercial co-venturers calling on behalf of charitable organizations would be prohibited from: (1) calling residents listed on the do-not-call list maintained by the state Office of Consumer Affairs and Business Regulation; (2) calling other residents between 8 p.m. and 8 a.m.; (3) sending unsolicited faxes; (4) using prerecorded messages; and (5) blocking use of caller ID services or devices. The proposed law would not apply to calls made by a charitable organization's members, employees, or volunteers, if no professional solicitor or commercial co-venturer is involved.

The proposed law would require professional solicitors or commercial co-venturers calling on behalf of charitable organizations to disclose, within the first minute of a call and before arranging for payment, (1) that the purpose of the call is to solicit funds; (2) the correct name of the telemarketing company or subcontractor that employs the telemarketer; and (3) the correct name of the charitable organization for which contributions are being solicited. Also, any telephone

solicitor calling to encourage the purchase or rental of, or investment in, property, goods or services, would be required, if employed by a subcontractor, to disclose the correct name of the subcontractor within the first minute of the call and before arranging for payment.

At some point during the solicitation, the professional solicitor or commercial co-venturer would also be required to disclose (1) that the solicitation is being conducted by a paid fundraiser; and (2) a description of how the requested contributions will be used for charitable purposes; and either (3) the name, address and telephone number of the charitable organization or (4) if there is no charitable organization, then the name, address and telephone number of the professional solicitor or commercial co-venturer.

The proposed law would require the professional solicitor or commercial co-venturer to disclose, upon request, the guaranteed minimum percentage of the gross receipts from fundraising that will be utilized exclusively for the charitable purposes described in the solicitation.

The proposed law would take effect on January 1, 2013, and states that if any of its parts were declared invalid, the other parts would stay in effect.